



ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#23 SEPTEMBER 6, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**Los Angeles County
Board of Supervisors**

August 30, 2011

Gloria Molina
First District

Mark Ridley-Thomas
Second District

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

Dear Supervisors:

Mitchell H. Katz, M.D.
Director

**RECOMMENDATION FOR APPROVAL AND AUTHORITY
TO EXECUTE AMENDMENT TO LEASE AGREEMENT
WITH CHARLES R. DREW UNIVERSITY
(SECOND SUPERVISORIAL DISTRICT)
(3 VOTES)**

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

John F. Schunhoff, Ph.D.
Chief Deputy Director

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SUBJECT

www.dhs.lacounty.gov

Request approval of an amendment to the Lease Agreement, dated September 2, 2009, between the County of Los Angeles and Charles R. Drew University of Medicine and Science.

*To ensure access to high-quality,
patient-centered, cost-effective
health care to Los Angeles
County residents through direct
services at DHS facilities and
through collaboration with
community and university
partners*

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and delegate authority to the Chief Executive Officer (CEO) or his designee, to sign an amendment to the Lease Agreement, executed September 2, 2009 (Lease Agreement), with Charles R. Drew University of Medicine and Science (CDU) to extend the term for CDU's use of specific County space in Ward 4-A of the Martin Luther King, Jr. (MLK) hospital building through December 31, 2011.



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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of this recommendation will allow the CEO to amend the Lease Agreement to permit CDU to continue to occupy space, free of charge, in Ward 4-A of the hospital building, through December 31, 2011.

Implementation of Strategic Plan Goals

The recommended action supports Goal 4, Health and Mental Health, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The recommended extension of the Ward 4-A space use will continue to be free of charge to CDU.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On September 2, 2009, the County and CDU executed a Settlement Agreement and Mutual Release to settle and resolve several pending court complaints and cross-complaints at issue between the two parties. In conjunction with the Settlement Agreement, the County and CDU entered into a Lease Agreement, also effective September 2, 2009, for the lease of real property consisting of a paved lot used by CDU for parking and occupied by several modular buildings.

Section 3.a. of the Settlement Agreement provided that CDU would relocate, by October 1, 2009, the Lillian Mobley Clinical Trials Unit, which was then located on the second floor of the Augustus F. Hawkins Building, to Ward 4-A in the hospital building for a one-year period. Section 3.b. of the Settlement Agreement required CDU to relocate other space occupied by CDU on the second floor of the Hawkins Building to premises to be determined by CDU and the County, for two years. The spaces then occupied by CDU on the second floor of the Hawkins Building were needed by the County for renovation for psychiatric inpatient beds and support of the inpatient units. Both the Lillian Mobley Clinical Trials unit and the other CDU uses on floor two of Hawkins were relocated to Ward 4-A in the hospital building.

Another section of the Settlement Agreement and the Lease Agreement required CDU to make monthly payments to the County for the lease of the real property consisting of the paved lot used for parking and occupied by several modular buildings. A third section of the Settlement Agreement required CDU to make monthly payments to the County for monies owed to the County under a separate and previous settlement agreement between the parties (Salama settlement). CDU is current in all payments for the lease and the Salama settlement.

On January 13, 2011, Cynthia M. Oliver, Chief Executive Officer, of the Martin Luther King Multi-Ambulatory Care Center (MLK MACC) received a letter from M. Roy Wilson, Chair of the CDU Board of Trustees, requesting that the term of its use of space in Ward 4-A (as provided in both sections 3.a. and 3.b. of the Settlement Agreement), be extended through December 31, 2011 on the same conditions as contained in the Settlement Agreement and the accompanying Lease Agreement. On March 8, 2011, the Department informed your Board of our intention to recommend approval of this amendment request.

In order to consolidate provisions related to use of property by CDU in one document, it is proposed that the Lease Agreement be amended to include the extension of the use of space in Ward 4-A of

the hospital building, originally included in the Settlement Agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The space in 4-A is not currently needed for MLK MACC operations and continued use of it through 2011 by CDU will not impact the new hospital and MACC construction projects. Continued use by CDU will support mutual efforts to continue to make the MLK campus a site for community health care and training.

Respectfully submitted,

A handwritten signature in black ink that reads "Mitchell Katz". The signature is written in a cursive, slightly slanted style.

Mitchell H. Katz, M.D.
Director

MHK:JFS:kh

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors